OGC HAS REVIEWED.

26 January 1953

MEMORANDUM FOR: Assistant Deputy Director (Administration)

SUBJECT:

Temporary Lodging Allowance

1. Memorandum of 9 January 1953 from Deputy Assistant Director for Communications requests that steps be taken to ascertain whether or not it would be possible for the Agency to recognize that the problems encountered in assignment from duty abroad to duty in the continental United States are the same as those encountered in assignment to any overseas post and that as a matter of practice, a temporary lodging allowance be granted to personnel transferred PCS to the Washington area from overseas. The statement of facts appearing in the aforesaid memorandum will be conceded to facilitate an easier discussion of the legal and regulatory considerations.

2. The temporary lodging allowance is part of the normal living quarters allowance and is granted pursuant to the authority of Section 901(1) of the Foreign Service Act of 1946.

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Implementing regulations through the Standardized Government Civilian Allowance Regulations. The legislative history of the Foreign Service Act of 19h6 as further confirmed by the Standardized Allowance Regulations demonstrates clearly that living quarters allowances, of which the temporary lodging allowance is a part, were to commence only after an officer or employee had arrived at an overseas post of duty. Congress had in mind the unusual adjustments in living habits that would confront an officer or employee upon first arriving in a strange land. In order to soften the economic impact, the temporary lodging allowance was fashioned to help tide him over the initial three month period. Unfortunately, the reverse proposition, namely the adjustment that would be required at this end after an extended tour of duty overseas, was not considered though by general agreement it constitutes a very real and troublesome problem.

3. It is not, however, a situation which is peculiar or unique to the employees of this Agency. The Department of State in administering what was intended as a uniform allowance system, has recognized the problem as one which is common to overseas returnees and has officially recommended legislative action.

- h. The Department of State has been besieged by the type complaint with which we are here concerned. As the issuing authority of a uniform allowance system, it has recognized the validity of the facts and the resultant inequities. Some time ago the Department of State conducted surveys which culminated in two specific recommendations: (1) a revision of the Foreign Service Act of 1946 to eliminate living adjustment problems in the continental United States, and (2) uniform legislation which would be comprehensive in scope and eliminate some of the patchwork characteristics evident in the present system. Under either alternative the Department of State has recommended an "expiration allowance" and a "home service allowance." An "expiration allowance" (tentative terminology) recognizes that an employee may be required to enter into temporary arrangements prior to departing from his overseas post. It has been recommended that this allowance be short-term, approximately thirty days, as it seems to be administratively controllable. The "home service allowance" recognizes the adjustment in living which confronts the overseas returnes and authorizes a temporary lodging allowance for the continental United States in approximately the same manner as a temporary lodging allowance is authorized at an overseas post.
- 5. The Bureau of the Budget has concurred in the survey of the Department of State and will sponsor its recommendations in the 83rd Congress. No action has been taken to introduce new legislation for two reasons: (1) the appointment of Mr. John Foster Dulles as the Secretary of State, and (2) the convening of the 83rd Congress. The informal opinion of representatives of the Department of State is that they are most hopeful of favorable action.
- 6. The foregoing reflects that living adjustments confronting overseas returnees is a condition common to most Government officers and employees. We would be hard put to argue that the adjustments encountered by our people upon returning to this country are caused by the unique or peculiar functions of CIA.

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To attempt to solve this type of household problem by reliance on our unusual authorities would certainly be to run in conflict with the oft-cited comment of the Comptroller General:

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.... "I feel certain it was not contemplated by the sponsors of the bill or by the Congress that this broad authority would be resorted to, or that it even contemplated a disregard of any control with respect to the normal administrative or operating problems which confront the ordinary Government agency." (31 Comp. Gen. 191 dated 21 November 1951).

7. The subject of delays in transportation of household effects and the responsibility of the Government in connection therewith is treated in a separate memorandum which is attached hereto. I concur with the conclusions of said memorandum. It should be noted however, that the submissions of the Deputy Assistant Director for Communications fail to establish a causal relationship between the cover employment and the delays experienced. It is possible that the circumstances of cover, or other operational considerations, resulted in a less preferential treatment than was normally available. If so, a reasonable basis for relief may be recognized, though the ascertainment of the monetary value, as indicated, would be difficult and the occasion for careful administrative review.

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Assistant General Counsel

Attachments